

WORKFORCE SAFETY & INSURANCE
INVESTMENT PERFORMANCE REPORT AS OF JUNE 30, 2008

	June-08				March-08				December-07				September-07				Current FYTD	Prior Year FY07	3 Years Ended 6/30/2008	5 Years Ended 6/30/2008
	Market Value	Allocation Actual	Policy	Quarter Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Net	Net	Net	Net
LARGE CAP DOMESTIC EQUITY																				
<i>Structured Growth</i>																				
Los Angeles Capital	18,757,186	1.5%	1.5%	4.70%	16,402,560	1.3%	1.5%	-10.92%	18,694,775	1.4%	1.5%	-1.51%	20,038,975	1.5%	1.5%	0.38%	-7.79%	21.84%	7.68%	N/A
Total Structured Growth	18,757,186	1.5%	1.5%	4.70%	16,402,560	1.3%	1.5%	-10.92%	18,694,775	1.4%	1.5%	-1.51%	20,038,975	1.5%	1.5%	0.38%	-7.79%	21.84%	7.68%	9.56%
<i>Russell 1000 Growth</i>				1.25%				-10.18%				-0.77%				4.21%	-5.96%	19.04%	5.91%	7.32%
<i>Structured Value</i>																				
LSV	16,535,398	1.3%	1.5%	-6.98%	16,257,005	1.3%	1.5%	-9.75%	18,288,060	1.4%	1.5%	-5.55%	19,536,466	1.5%	1.5%	-0.91%	-21.43%	23.77%	3.81%	11.57%
<i>Russell 1000 Value</i>				-5.31%				-8.72%				-5.80%				-0.24%	-18.78%	21.87%	3.53%	8.92%
<i>Russell 1000 Enhanced Index</i>																				
LA Capital	36,492,802	2.9%	2.9%	1.62%	32,881,021	2.5%	2.9%	-10.22%	37,185,820	2.8%	2.9%	-1.07%	39,893,474	3.0%	2.9%	0.24%	-9.54%	21.27%	6.97%	N/A
<i>Russell 1000</i>				-1.89%				-9.48%				-3.23%				1.98%	-12.36%	20.43%	4.81%	N/A
<i>S&P 500 Enhanced Index</i>																				
Westridge	36,993,546	2.9%	2.9%	-2.37%	37,282,495	2.9%	2.9%	-9.15%	41,676,104	3.2%	2.9%	-3.07%	44,212,228	3.4%	2.9%	2.15%	-12.18%	21.12%	4.98%	N/A
<i>S&P 500</i>				-2.73%				-9.44%				-3.33%				2.03%	-13.12%	20.59%	4.41%	N/A
<i>Index</i>																				
State Street	12,072,678			-2.27%	12,155,750			-10.68%	11,312,428			-5.72%	12,114,575			-0.66%	-18.24%	21.82%	2.93%	6.64%
Total 130/30	12,072,678	1.0%	1.0%	-2.27%	12,155,750	0.9%	1.0%	-10.68%	11,312,428	0.9%	1.0%	-5.72%	12,114,575	0.9%	1.0%	-0.66%	-18.24%	21.82%	2.93%	6.64%
<i>S&P 500</i>				-2.73%				-9.44%				-3.33%				2.03%	-13.12%	20.59%	4.41%	7.59%
TOTAL LARGE CAP DOMESTIC EQUITY	120,851,610	9.6%	9.8%	-0.84%	114,978,829	8.9%	9.8%	-9.95%	127,157,187	9.7%	9.8%	-2.85%	135,795,717	10.3%	9.8%	0.62%	-12.71%	21.86%	5.68%	9.31%
<i>S&P 500</i>				-2.73%				-9.44%				-3.33%				2.03%	-13.12%	20.59%	4.41%	7.59%
SMALL CAP DOMESTIC EQUITY																				
<i>Manager-of-Managers</i>																				
SEI	20,337,748	1.6%	1.6%	-0.80%	18,771,753	1.4%	1.6%	-11.52%	19,308,742	1.5%	1.6%	-6.42%	20,862,294	1.6%	1.6%	-3.74%	-20.93%	18.39%	2.06%	9.10%
<i>Russell 2000 + 200bp</i>				1.09%				-9.43%				-4.09%				-2.60%	-14.48%	18.76%	5.88%	12.50%
<i>Enhanced</i>																				
Research Affiliates	19,866,026	1.6%	1.6%	-2.98%	18,730,674	1.4%	1.6%	-6.82%	18,299,816	1.4%	1.6%	-7.07%	19,891,299	1.5%	1.6%	N/A	N/A	N/A	N/A	N/A
<i>Russell 2000</i>				0.58%				-9.90%				-4.58%				-3.09%	-16.19%			
TOTAL SMALL CAP DOMESTIC EQUITY	40,203,774	3.2%	3.3%	-1.89%	37,502,427	2.9%	3.3%	-9.24%	37,608,558	2.9%	3.3%	-6.74%	40,753,593	3.1%	3.3%	-5.05%	-21.14%	18.39%	1.97%	9.04%
<i>Russell 2000</i>				0.58%				-9.90%				-4.58%				-3.09%	-16.19%	16.44%	3.79%	10.29%
INTERNATIONAL EQUITY																				
<i>Large Cap - Active</i>																				
Capital Guardian	37,624,005	3.0%	3.2%	-0.95%	37,775,449	2.9%	3.2%	-10.94%	40,546,231	3.1%	3.2%	-1.24%	42,837,069	3.3%	3.2%	0.59%	-12.37%	25.99%	12.24%	14.35%
LSV	36,266,426	2.9%	3.2%	-5.76%	35,603,670	2.7%	3.2%	-12.88%	38,985,050	3.0%	3.2%	-6.42%	43,485,806	3.3%	3.2%	-3.40%	-25.78%	31.24%	7.37%	N/A
Total Large Cap - Active	73,890,431	5.9%	6.4%	-3.33%	73,379,119	5.7%	6.4%	-11.89%	79,531,281	6.1%	6.4%	-3.83%	86,322,875	6.6%	6.4%	-1.46%	-19.29%	28.57%	9.83%	13.46%
<i>MSCI EAFE - 50% Hedged</i>				-1.47%				-12.04%				-2.19%				0.11%	-15.14%	26.94%	10.93%	14.67%
<i>Small Cap - Value</i>																				
DFA	8,778,863	0.7%	0.8%	-5.15%	9,219,954	0.7%	0.8%	-3.63%	9,640,628	0.7%	0.8%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Lazard	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	10,564,102	0.8%	0.8%	-3.92%	N/A	21.03%	N/A	N/A
Total Small Cap Value	8,778,863	0.7%	0.8%	-5.15%	9,219,954	0.7%	0.8%	-3.63%	9,640,628	0.7%	0.8%	-0.64%	10,564,102	0.8%	0.8%	-3.92%	-12.74%	21.03%	9.30%	17.27%
<i>S&P/Citigroup Broad Market Index < \$2BN</i>				-6.52%				-14.70%				-5.94%				-0.66%	-25.49%	28.58%	7.39%	17.33%
<i>Small Cap - Growth</i>																				
Vanguard	8,665,165	0.7%	0.8%	-3.90%	8,981,614	0.7%	0.8%	-8.40%	9,868,452	0.8%	0.8%	-4.89%	10,338,193	0.8%	0.8%	-1.48%	-17.52%	31.00%	11.77%	20.18%
<i>Citigroup Broad Market Index < \$2BN</i>				-6.52%				-14.70%				-5.94%				-0.66%	-25.49%	28.58%	7.39%	17.33%
TOTAL INTERNATIONAL EQUITY	91,334,459	7.3%	8.0%	-3.60%	91,580,687	7.1%	8.0%	-10.77%	99,040,362	7.5%	8.0%	-3.99%	107,225,170	8.1%	8.0%	-1.72%	-18.83%	28.02%	9.79%	14.56%
<i>MSCI EAFE - 50% Hedged</i>				-1.47%				-12.04%				-2.19%				0.11%	-15.14%	26.94%	10.93%	14.67%
DOMESTIC FIXED INCOME																				
<i>Core Bond</i>																				
Western Asset	177,717,213	14.1%	14.1%	-0.39%	179,845,030	13.9%	14.1%	-1.03%	187,051,148	14.2%	14.1%	1.63%	185,854,188	14.1%	14.1%	1.87%	2.06%	7.29%	2.76%	3.55%
<i>Lehman Aggregate</i>				-1.02%				2.17%				3.00%				2.84%	7.12%	6.12%	4.09%	3.86%
<i>Mortgage Backed</i>																				
Hyperion	41,115,829	3.3%	4.0%	-10.59%	45,997,962	3.5%	4.0%	-8.07%	50,034,672	3.8%	4.0%	-1.11%	50,585,385	3.8%	4.0%	-1.88%	-20.24%	N/A	N/A	N/A
<i>Lehman Global Aggregate (US Securitized Portion)</i>				-1.34%				4.18%				3.15%				3.88%	10.14%			
<i>Core Plus/Enhanced</i>																				
Clifton Group	51,800,027	4.1%	4.0%	-1.15%	54,188,935	4.2%	4.0%	3.34%	54,528,815	4.2%	4.0%	3.64%	52,474,224	4.0%	4.0%	4.06%	10.17%	5.52%	N/A	N/A
Prudential	52,385,503	4.2%	4.0%	-0.50%	52,720,537	4.1%	4.0%	0.95%	52,282,152	4.0%	4.0%	2.45%	51,080,404	3.9%	4.0%	1.94%	4.89%	N/A	N/A	N/A
Total Core Plus/Enhanced	104,185,530	8.3%	8.0%	-0.83%	106,909,473	8.2%	8.0%	2.17%	106,810,966	8.1%	8.0%	3.05%	103,554,628	7.9%	8.0%	3.00%	7.55%	5.95%	N/A	N/A
<i>Lehman Aggregate</i>				-1.02%				2.17%				3.00%				2.84%	7.12%	6.12%		

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	June-08				March-08				December-07				September-07				Current FYTD	Prior Year FY07	3 Years Ended 6/30/2008	5 Years Ended 6/30/2008
	Market Value	Allocation Actual	Policy	Quarter Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Net	Net	Net	Net
Index																				
Bank of ND	89,565,227	7.1%	7.0%	-1.53%	92,744,730	7.1%	7.0%	2.94%	93,572,032	7.1%	7.0%	3.05%	92,515,653	7.0%	7.0%	3.10%	7.68%	5.45%	3.93%	3.28%
Bank of ND CD'S	35,782,795	2.8%	2.8%	0.82%	37,531,100	2.9%	2.9%	1.24%	37,309,958	2.8%	2.8%	1.24%	37,539,634	2.9%	2.9%	1.25%	4.63%	5.33%	N/A	N/A
Total Index	125,348,022	10.0%	9.8%	-0.85%	130,275,830	10.0%	9.9%	2.46%	130,881,990	10.0%	9.8%	2.52%	130,055,287	9.9%	9.9%	2.56%	6.80%	5.80%	3.80%	3.14%
Lehman Gov/Credit (1)				-1.51%				2.53%				3.10%				3.01%	7.24%	6.00%	3.84%	3.24%
BBB Average Quality																				
Wells Capital (formerly Strong)	179,597,296	14.3%	14.1%	-0.31%	183,219,858	14.1%	14.1%	0.37%	185,437,569	14.1%	14.1%	1.98%	183,388,412	13.9%	14.1%	1.48%	3.55%	7.93%	3.04%	3.85%
Lehman US Credit BAA				0.11%				-1.05%				1.90%				1.67%	2.62%	7.54%	2.52%	3.59%
TOTAL DOMESTIC FIXED INCOME	627,963,891	49.9%	50.0%	-1.26%	646,248,152	49.8%	50.0%	0.03%	660,216,345	50.3%	50.0%	1.92%	653,437,900	49.6%	50.0%	1.77%	2.45%	7.20%	2.71%	3.26%
Lehman Aggregate (2)				-1.02%				2.17%				3.00%				2.84%	7.12%	6.12%	4.09%	3.73%
INFLATION PROTECTED ASSETS																				
Northern Trust Global Investments	144,904,184	11.5%	11.0%	-0.18%	150,187,831	11.6%	11.0%	5.45%	151,127,642	11.5%	11.0%	5.08%	146,169,453	11.1%	11.0%	4.58%	15.69%	3.93%	5.79%	N/A
Western	141,247,512	11.2%	11.0%	-1.26%	148,046,494	11.4%	11.0%	3.86%	150,135,547	11.4%	11.0%	4.17%	145,031,121	11.0%	11.0%	5.16%	12.34%	3.35%	4.42%	N/A
TOTAL INFLATION PROTECTED ASSETS	286,151,696	22.7%	22.0%	-0.72%	298,234,325	23.0%	22.0%	4.66%	301,263,189	22.9%	22.0%	4.63%	291,200,574	22.1%	22.0%	4.87%	14.00%	3.64%	5.10%	N/A
LB US TIPS Index				-0.28%				5.18%				4.97%				4.54%	15.10%	4.07%	5.62%	N/A
REAL ESTATE																				
JP Morgan	84,203,644	6.7%	6.0%	-0.15%	89,639,671	6.9%	6.0%	-6.29%	87,688,146	6.7%	6.0%	2.83%	85,046,061	6.5%	6.0%	3.13%	-0.77%	16.00%	N/A	N/A
NCREIF Total Index				0.56%				1.60%				3.21%				3.56%	9.20%	17.24%	14.62%	N/A
CASH EQUIVALENTS																				
Bank of ND	8,442,930	0.7%	1.0%	0.49%	19,941,046	1.5%	1.0%	0.70%	645,372	0.0%	1.0%	0.96%	3,090,960	0.2%	1.0%	1.24%	3.43%	5.36%	4.10%	3.38%
90 Day T-Bill				0.31%				0.88%				1.05%				1.34%	3.63%	5.21%	4.27%	3.18%
TOTAL WSI	1,259,152,003	100.0%	100.0%	-1.27%	1,298,125,138	100.0%	100.0%	-1.36%	1,313,619,159	100.0%	100.0%	1.36%	1,316,549,976	100.0%	100.0%	1.88%	0.57%	10.33%	4.70%	6.18%
POLICY TARGET BENCHMARK				-0.79%				0.06%				2.16%				2.77%	4.22%	9.58%	5.78%	6.56%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) From April 1, 2004, through June 30, 2005, the benchmark was the LB Intermediate Govt/Credit index.

(2) Prior to July 1, 2005, the benchmark was LB Govt/Credit Index.